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In the Supreme Court of the United States

OCTOBER TERM, 1962

No. 440

JIFFY ENTERPRISES, INC.,
PETITIONER,

v.

SEARS, ROEBUCK & CO. and E. H. TATE CO.,
RESPONDENTS.

E. H. TATE CO.,
RESPONDENT,

v.

JIFFY ENTERPRISES, INC.,
PETITIONER.

BRIEF FOR RESPONDENTS IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

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TABLE OF CONTENTS

	Page
I. Statement of the Case	1
II. Petitioner's Contentions Are Unsubstantial And Present No Questions Or Reasons Requiring The Granting Of The Writ	8
III. Conclusion	13

Table of Cases Cited

American Wood Paper Co. v. *Fiber Disintegrating Co.*, 23 Wall. 566; 23 L.Ed. 31 (1874) 9

Cambridge Trust Co. v. *Coe*, 87 F.2d 543 at 546 (CA-DC, 1936) 10

Cochrane v. *Badische Anilin & Soda Fabrik*, 111 US 293, 28 L.Ed. 433 (1884) 9

Connors v. *Ormsby*, 148 F. 13 at 14 (CCA 1, 1906) 12

Crosley Corp. v. *Westinghouse Elec. & Mfg. Co.*, 152 F.2d 895 at 904 (CCA 3, 1945) 12

Cuno Engineering Corp. v. *Automatic Devices Corp.*, 314 US 84; 86 L.Ed. 58 (1941) 11

Del Vecchio v. *Bowers*, 296 US 280 at 286-7 (1935) 12

Dollac Corp. v. *Margon Corp.*, 275 F. 202 at 204 (CA 3; 1960) 7, 11

Elec. Vacuum Cleaner Co. v. *P. A. Geier Co.*, 118 F.2d 221 at p. 224 (CCA 6, 1941) 7

Eskimo Pie Corp. v. *Levous*, 35 F.2d 120 (CCA 3, 1929) 7

Fowler v. *Sponge Products Co.*, 246 F.2d 223 at 226 (CA 4, 1957) 6

General Elec. Co. v. *Jewel Incandescent Lamp Co.*, 146 F.2d 414 (1944); aff'd. 326 US 242; 90 L.Ed. 43 (1945) 10

Great Atlantic & Pacific Tea Co. v. *Supermarket Equipment Corp.*, 340 US 147, 95 L.Ed. 162 (1952) 9, 11

Page

Griscom-Russell Co. v. *Westinghouse Elec. & Mfg. Co.*, 121 F.2d 680 at 682-3 (CCA 3, 1941) 7

Hollister v. *Benedict & Burnham Mfg Co.*, 113 US 59 at 72, 28 L.ed. 901 (1884) 11

Howard v. *Detroit Stove Works*, 150 US 164, 170; 37 L.ed. 1039 (1893) 6

Kinnear-Weed Corp. v. *Humble Oil & Refining Co.*, 150 F.Supp. 143 (DC. ED. Tex. 1956) 6

Leitch Mfg. Co. v. *Barber Co.*, 302 US 458; 82 L.Ed. 371 (1938) 10

Lensch v. *Metallizing Co.*, 128 F.2d 654 at 656 (CCA 9, 1942) 8

Lincoln Engineering Co. v. *Stewart-Warner Corp.*, 303 US 545 at 549, 82 L.Ed. 1008 (1938) 7

Lovell Mfg. Co. v. *Cary*, 147 US 623 at 624-625; 37 L.Ed. 307 (1892) 7

Luten v. *Kansas City Bridge Co.*, 285 F. 840, 844 (CCA 8, 1922) 12

Mojonnier Bros. Co. Inc. v. *Tolan Mach. Co.*, 230 F.2d 850 at 851 (CA 3, 1956) 7

New York Life Ins. Co. v. *Gamer*, 303 US 161 at 171-2 (1937) 11

Pfanstiehl Chemical Co. v. *American Platinum Works*, 135 F.2d 171 at 173 (CCA 3, 1942) 10

Railroad Supply Co. v. *Elyria Iron & Steel Co.*, 244 US 285 at 292, 61 L.Ed. 1136 (1916) 7

Ranco Inc. v. *Gwynn*, 128 F.2d 437 at 442-3 (CCA 6, 1942) 7

Reliance Life Ins. Co. v. *Burgess*, 112 F.2d 234 at 238 (CCA 8, 1940) 12

Savoy Leather Mfg. Co. v. *Standard Briefcase Co.*, 261 F.2d 136 (CA 2, 1958) 8

In re Smith, 162 F.2d 466, 34 CCPA 1202 (1947) 10

Smith v. *Nichols*, 21 Wall. 112 at 119 (1874) 7

Page

Standard Brands, Inc. v. *National Grain Yeast Corp.*, 101 F.2d 814 at 819 (CCA 3, 1959) 8

Stanley Works v. *Rockwell Mfg. Co.*, 203 F.2d 846 at 848 (CA 3, 1953) 6, 8, 11

Talon, Inc. v. *Union Slide Fastener, Inc.*, 266 F.2d 731 (CA 9, 1959) 10

Textile Machine Works v. *Louis Hirsch Textile Machines*, 302 US 490 (1937) 11

Toledo Pressed Steel Co. v. *Standard Parts, Inc.*, 307 US 350 at 355-6 (1938) 7, 8, 11

United Mattress Machinery Co. v. *Handy Button Mach. Co.*, 307 F.2d 1 at 5 (CA 3, 1953) 8

Welsh Mfg. Co. v. *Sunware Products Co.*, 236 F.2d 225 (CA 2, 1956) 6, 8

Williams v. *Allied Metal Products Corp.*, 107 F.2d 109 (CCA 6, 1939) 8

Zephyr American Corp. v. *Bates Mfg. Co.*, 128 F.2d 380 at 383 (CCA 3, 1941) 8

Treatises Cited

Model Code of Evidence — American Law Institute, Rule 704 (1 and 2) 12

Walker on Patents (Dellers Ed.) p. 196 7

Wigmore on Evidence (3rd Ed.) Sec. 2491 pp. 289-291 12

Statutes Cited

Patent Act of 1952, Sec. 103; 35 U.S.C. Sec. 103 (Petitioner's Appendix, B. p. 23) 10

Patent Act of 1952, Sec. 282; 35 U.S.C. Sec. 282 (Petitioner's Appendix, B. p. 24) 11

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I. Statement of the Case

The facts and issues presented by this case are clearly and adequately stated by the Majority Opinion of the

Circuit Court of Appeals (Appendix A, attached to Petition). The situation, briefly, was this:

Respondent E. H. Tate Co. brought its action against Petitioner Jiffy Enterprises, Inc. for a Declaratory Judgment that Margulis patent No. 2,809,001 for Hanger (an adhesive-coated Cloth Picture Hanger) was invalid for lack of invention, or in the alternative that Tate Company held a license under the patent, express or implied. Petitioner Jiffy Enterprises counter-claimed for infringemnet of the Margulis patent in suit; then filed the second suit for infringement of the same patent against E. H. Tate Company's customer, Sears, Roebuck & Co., in which Tate Co. intervened. The two suits were tried as one, on the single and simple issue: validity of the Margulis patent. The District Court held the Margulis patent invalid for lack of invention. The Court of Appeals affirmed, in a 2 to 1 decision.

The sole question involved in the case thus was:

> 1. Is the Margulis patent No. 2,809,001 for Hanger invalid for lack of invention?

The question of invention was greatly simplified by the existence of a prior Margulis patent No. 2,647,711 for Wall Supported Hanger (another adhesive coated Cloth Picture Hanger) from which the Hanger of the Margulis patent in suit differed very slightly.

The Margulis patent in suit No. 2,809,001 for an adhesive-coated Cloth Picture Hanger (Appellant's Appendix in Court of Appeals, p. 76a) shows (Figs. 1-6) a cloth strip 11, rectangular in shape, coated on its rear face with a wafer-activated glue—and folded on itself to form a front flap 14 and a rear flap 15 (Fig. 2), and an intermediate hem defined by the fold line 13 and a transverse line of stitching 16. A metal support bar 17 is positioned

within the hem, and the bar 17 is provided with a hole or central opening 18. The alleged inventive feature was *the hook 19 provided with an integral tubular flange or eyelet 20* (Fig. 3) to be inserted through the opening 18 of the support bar 17, for swiveling the hook 19 on the metal support bar.

The prior Margulis patent No. 2,647,711 differs from the Margulis patent in suit merely in that the metal hook 19 is swiveled on a *separate* hollow rivet or eyelet 23, inserted through the hole 17 in the metal support bar 16, instead of making the hook and eyelet in one piece. The function of the *separate* hollow rivet or eyelet and the hook with the *integral* tubular flange or eyelet is the same—to permit the hook to swivel on the metal support bar.

The Opinion of the Court of Appeals states that difference between the two patented structures very succinctly (Appendix A, P. 16):

> "It is undisputed that the '711 patent is the closest prior art to the patent in question. Viewing the hangers side by side, the basic difference between the two which is readily perceptible to the eye is that the hook on the '711 hanger *swivels around the head of a separate eyelet* which is inserted through a hole in the metal support bar, while the hook on the '001 hanger *is part of an integral flanged eyelet* which is also inserted through a hole in the bar. As a result of substituting a ingle moving element for a moving element and a stationary element, which together obviously serve the same function as the single moving element, Jiffy alleges . . . structural differences and advantages to have accrued in the '001 hanger: . . ."

The decision of the Court of Appeals was based on the Findings of Fact of the District Court, particularly Find-

ing No. 10, reading as follows (Appellant's Appendix in Court of Appeals, at p. 116a):

> "10. The sole significant and perceptible difference between these two patents is that in prior Margulis '711, the hook 19 is swivelled on a *separate* rivet or eyelet 23, inserted through the hole 17 in the metal support bar 16; while in Margulis '001 (the patent in suit) the hook 19 is provided with its integral flanged eyelet 20, which in turn is swivelly mounted in the hole 18 in the metal support bar 17. The function of the separate rivet 23 in the first patent and the integral flanged eyelet in the patent in suit is exactly the same: e.g., to provide a swivelled mounting for the picture-supporting hook in the metal support bar. The separate rivet and the integral flanged eyelet are full mechanical equivalents of each other."

Both Courts then concluded that the Margulis patent was invalid for lack of invention. Findings of Fact by the District Court, of course, are not set aside unless clearly erroneous—Rule 52(a)—Rules of Civil Procedure.

To aid the Court in perceiving how ridiculously slight and trivial the differences between the two patented structures are, we show on the page opposite a drawing comparing these two structures.

The case thus presents the ancillary question:

2. Does it constitute patentable invention in an Adhesive-Coated Cloth Picture Hanger having a hook swiveling on a metal support bar, to make the hook in one piece with a tubular flanged rivet or eyelet integral with the hook, instead of having a separate rivet or eyelet for swiveling the hook on the metal support bar, with no change in function or result?

FIG. 1

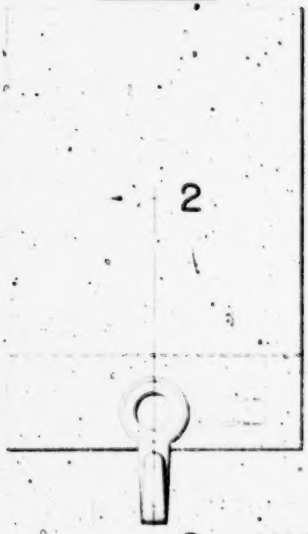

FIG. 2

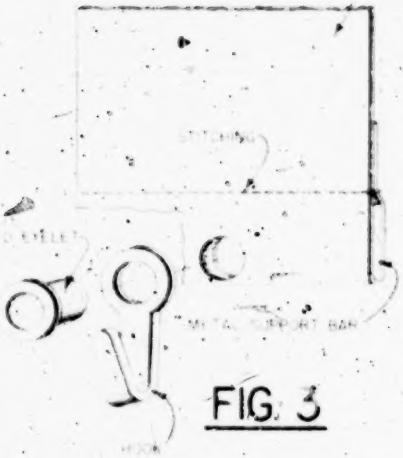

FIG. 3

MARGULIS PRIOR PATENT, NO. 2,647,711

FIG. 1

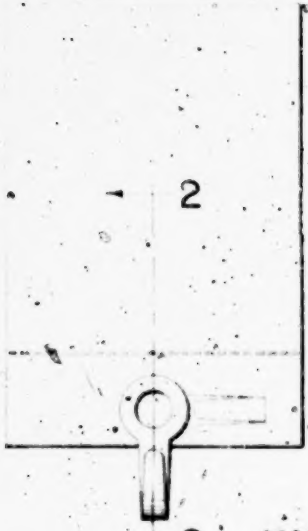

FIG. 2

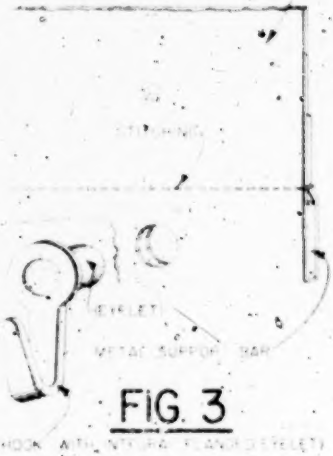

FIG. 3

MARGULIS PATENT IN SUIT, NO. 2,809,001

The finding of invalidity of the Margulis patent in suit was further supported by a substantial showing that it was very old to make hooks with integral tubular flanges or eyelets for many purposes, as in shoe lacing hooks, glove fasteners, envelope fasteners, and the like.

The deposition of John Larson, Sales Manager of The Edwin B. Stimpson Co. Inc., Brooklyn, New York, large manufacturer of small metal parts, who supplied both the separate hooks and eyelets and the hooks with integral tubular flanged eyelets to both Petitioner and Respondent, showed it was common practice in his business to make hooks, eyelets, fasteners, hangers, and hooks with integral tubular flanges or eyelets in them in great variety for many years. No problem whatever existed in making a metal hook with an integral flanged eyelet, (Opinion of Court of Appeals, Appendix A, P. 18-19).

The finding of invalidity of the Margulis patent was thus amply supported by the evidence. The case was rightly decided by the Courts below, we submit.

In finding the Margulis patent in suit invalid for lack of invention, the Courts below applied and were guided by settled and established rules of patent law. Thus:

It does not constitute invention to make a part in one piece which had formerly been made in two pieces, when the function and result are the same.

Howard v. *Detroit Stove Works*, 150 US 164, 170, 37 L.Ed. 1039 (1893).

Welsh Mfg. Co. v. *Sunware Products Co.*, 236 F.2d 225 (CA 2, 1956).

Stanley Works v. *Rockwell Mfg. Co.* 203 F.2d. 846 at 848 (CA 3, 1953).

Fowler v. *Sponge Products Co.*, 246 F.2d. 223 at 226 (CA 1, 1957).

Kinnear-Weed Corp. v. *Humble Oil & Refng. Co.*, 150

F. Supp. 143 (DC. ED. Tex. 1956); aff'd 259 F.2d. 398 (CA 5, 1958).

Walker on Patents (Deller's Ed.) p. 196.

The mere aggregation of old elements which in the aggregation perform or produce no new or different function than that performed or produced by them separately is not invention.

Toledo Pressed Steel Co. v. *Standard Parts, Inc.*, 307 US 350 at 355-6 (1938).

Lincoln Engineering Co. v. *Stewart-Warner Corp.*, 303 US 545 at 549; 82 L.Ed. 1008; (1938).

Dollac Corp. v. *Margon Corp.*, 275 F. 202 at 204 (CA 3, 1960).

Mojonnier Bros. Co. Inc. v. *Tolan Mach. Co.*, 230 F.2d. 850 at 851 (CA 3, 1956).

Griscom-Russell Co. v. *Westinghouse Elec. & Mfg. Co.*, 121 F.2d. 680 at 682-3 (CCA 3, 1941).

Mere differences in size, shape, weight and thickness of parts, are differences in degree and do not constitute patentable invention.

Smith v. *Nichols*, 21 Wall. 112 at 119 (1874).

Railroad Supply Co. v. *Elyria Iron & Steel Co.*, 244 US 285 at 292, 61 L.Ed. 1136 (1916).

Lovell Mfg. Co. v. *Cary*, 147 U.S. 623 at 624-625; 37 L.Ed. 307 (1892).

Eskimo Pie Corp. v. *Levous*, 35 F.2d. 120 (CCA 3, 1929).

Electric Vacuum Cleaner Co. v. *P. A. Geier Co.*, 118 F.2d. 221 (CCA 6, 1941) at p. 224.

Ranco Inc. v. *Gwynn*, 128 F.2d. 437 at 442-443 (CCA 6, 1942).

Lensch v. *Metallizing Co.*, 128 F.2d. 654 at 656 (CCA 9, 1942).

Williams v. *Allied Metal Products Corp.*, 107 F.2d. 109 (CCA 6, 1939).

United Mattress Machinery Co. v. *Handy Button Machine Co.*, 207 F.2d. 1 at 5 (CA 3, 1953).

Obviousness of a patented expedient is indicated when there is no proof that a problem existed that had defied solution by men skilled in the art.

Toledo Pressed Steel Co. v. *Standard Parts, Inc.*, 307 US 350 (1938) at 356.

Savoy Leather Mfg. Co. v. *Standard Briefcase Co.*, 261 F.2d. 136 at 138 (CA 2, 1958).

Welsh Mfg. Co. v. *Sunware Products Co.*, 236 F.2d. 225 at 227 (CA 2, 1956).

The utilization of an expedient common to many diverse arts does not amount to invention.

Zephyr American Corp. v. *Bates Mfg. Co.*, 128 F.2d. 380 at 383 (CCA 3, 1941).

Welsh Mfg. Co. v. *Sunware Products Co.*, 236 F.2d. 225 at 226 (CA 2, 1956).

Standard Brands, Inc. v. *National Grain Yeast Corp.*, 101 F.2d. 814 at 819 (CCA 3, 1959).

Stanley Works v. *Rockwell Mfg. Co.*, 203 F.2d. 846 at 848 (CA 3, 1953).

II. Petitioner's Contentions Are Unsubstantial And Present No Questions Or Reasons Requiring The Granting Of The Writ.

The Petition presents no questions or reasons requiring the exercise of this Court's discretionary judicial review,

we respectfully submit. The correctness of the decisions of the Courts below that the Margulis patent in suit is invalid for lack of invention is so clearly established by the evidence as to be beyond dispute, we submit. The questions presented and reasons for granting the writ are academic, frivolous, and wholly beside the point, in view of the clear invalidity of the Margulis patent.

1. It is wholly immaterial to discuss whether a valid patent can issue on a simple article like an Adhesive-Coated Cloth Picture Hanger, if the Margulis patent in suit is clearly invalid.

Great A & P Tea Co. v. *Supermarket Equipment Corp.*, 340 US 147, 95 L.Ed. 162 (1952).

2. We readily acknowledge that making the hook and eyelet in one piece, rather than using a separate hook and eyelet, facilitates the assembly of the parts in making the Picture Hangers by machine, instead of by hand, as they were formerly made. But the Margulis patent in suit is for an article of manufacture, not for a machine or a process, and the fact that the Picture Hanger in suit may be the product of a slightly cheaper method of manufacture does not make the Picture Hanger itself a new article of manufacture, and hence patentable. It is settled law that economy and speed of manufacture resulting from machine production of an old article of manufacture and involving slight changes in the product does not confer patentability on the product.

Cochrane v. *Badische Anilin & Soda Fabrik*, 111 US 293, 28 L.Ed. 433 (1884).

American Wood Paper Co. v. *Fiber Disintegrating Co.*, 23 Wall. 566, 23 L.Ed. 31 (1874).

General Elec. Co. v. *Jewel Incandescent Lamp Co.*, 146 F.2d 414 (1944), aff'd. 326 US 242, 90 L.Ed 43 (1945).

Leitch Mfg. Co. v. *Barber Co.*, 302 US 458, 82 L.Ed. 371 (1938).

Pfanstiehl Chemical Co. v. *American Platinum Works*, 135 F.2d. 171 at 173 (CCA 3, 1942).

Cambridge Trust Co. v. *Coe*, 87 F.2d. 543 at 546 (CA. DC, 1936).

Talon, Inc. v. *Union Slide Fastener, Inc.*, 266 F.2d. 731 (CA 9, 1959).

In re Smith, 162 F.2d. 466, 34 CCPA 1202 (1947).

It is equally obvious to the man having ordinary skill in the art that in adapting an article to machine manufacture including the assembly of separate parts that it is an advantage to make two separate parts into one to avoid having to bring the two parts together for assembly in the machine. The contention of the Petitioner herein leaves no room for the ordinary mechanic to use his ordinary knowledge and skill to make simple changes in an article of manufacture to adapt it to machine assembly and manufacture.

3. The District Court and Court of Appeals correctly applied the applicable law in determining the existence of patentable invention—whether the subject matter as a whole was obvious at the time to a person having ordinary skill in the art to which the subject matter pertains—Court of Appeals Opinion, Petitioner's Appendix A, p. 17, 20).

The Patent Act of 1952 of course, merely codified the existing law.

Patent Act of 1952, Sec. 103; 35 U.S.C. Sec. 103 (Petitioner's Appendix B, p. 23).

Toledo Pressed Steel Co. v. *Standard Parts Co.*, 307 US 350 at 355-6 (1938).

Textile Machine Works v. *Louis Hirsch Textile Machines*, 302 US 490 (1937).

Cuno Engineering Corp. v. *Automatic Devices Corp.*, 314 US 84; 86 L.Ed. 58 (1941).

Great Atlantic & Pacific Tea Co. v. *Supermarket Equipment Co.*, 340 US 147, 95 L.Ed. 162 (1950).

Stanley Works v. *Rockwell Mfg. Co.*, 203 F.2d 846 at 848 (CA 3, 1952).

Dollac Corp. v. *Margon Corp.*, 275 F.2d. 202 at 204 (CA 3, 1960).

4. The District Court and Court of Appeals also correctly applied the presumption of validity arising from the grant of the patent by the Patent Office. A patent, of course, is presumed to be valid, and the burden of establishing invalidity of the patent rests upon the party asserting it—Patent Act of 1952, Sec. 282; 35 U.S.C. Sec. 282 (Petitioner's Appendix B. p. 24). But here Respondent clearly sustained its burden of proof in overcoming the presumption of validity.

A presumption, of course, has no weight as evidence itself, but is merely a rule of procedure imposing on the party against whom it operates the duty of coming forward with evidence, and when that presumption is met by evidence to the contrary, the presumption disappears. Here Respondent fully rebutted the starting presumption of validity by conclusive proof of the patent's invalidity, as shown by the prior art patents, and other evidence.

Hollister v. *Benedict & Burnham Mfg. Co.*, 113 US 59 at 72, 28 L.Ed. 901 (1884).

New York Life Ins. Co. v. *Gamer*, 303 US 161 at 171-2 (1937).

Del Vecchio v. Bowers, 296 US 280 at 286-7 (1935).
Crosley Corp. v. Westinghouse Elec. & Mfg. Co., 152 F.2d. 895 at 904 (CCA 3, 1945).
Connors v. Ormsby, 148 F. 13 at 14 (CCA 1, 1906).
Luten v. Kansas City Bridge Co., 285 F. 840, 844 (CCA 8, 1922).
Reliance Life Ins. Co. v. Burgess, 112 F.2d. 234 at 238 (CCA 8, 1940).
Wigmore on Evidence, (3rd Ed.) Sec. 2491 pp. 289-291.
Model Code of Evidence—American Law Institute, Rule 704 (1 and 2).

The Court's findings of the invalidity of the Margulis patent in suit being so conclusively established by the evidence of record herein, this case is clearly one not requiring review by this Court, we respectfully submit.

Of what materiality is it *in this case* that this Court has not granted certiorari in a patent case involving the validity of a patent since the passage of the Patent Act of 1952, *if the Margulis patent in suit is clearly invalid for lack of invention*, as the Courts below held, and in so doing the Courts below correctly applied the patent law to the evidence of record?

Of what materiality is it *in this case* that in recent years the Courts of Appeals for the Fourth and Ninth Circuits have upheld the validity of more patents than the Courts of Appeals for the Third and Eighth Circuits, *if the Margulis patent in suit is clearly invalid for lack of invention*, as the Courts below held, and in so doing correctly applied the patent law to the evidence of record?

III. Conclusion

We respectfully submit that the Courts below in holding the Margulis patent in suit invalid for lack of invention correctly applied the applicable law to the evidence of record, that the decisions of the Court below were correct and fully supported by the evidence herein, that the Petition presents no question requiring the exercise of the Court's discretionary jurisdiction, and should be denied.

Respectfully submitted.

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